



Justin P. Wilson, Comptroller

February 26, 2015

Former Grainger County School Bookkeeper Admits to Gift Card Scheme

Tennessee Comptroller investigators have discovered at least \$1,515.16 is missing from Bean Station Elementary School in Grainger County.

Investigators learned the former bookkeeper at Bean Station Elementary School used a school provided credit card to purchase \$515 in gift cards that she later used to buy fuel for her personal vehicle. The former bookkeeper admitted to making these unauthorized purchases.

Investigators also examined the school's accounting records and discovered that receipts totaling \$1,000.16 were unaccounted at June 30, 2014. The former bookkeeper collected cash for yearbook payments but only a portion of the money was deposited in the bank. This amount could be greater because several manual receipt books were missing from the school. Since multiple people had access to the cash cabinet and a lack of internal controls existed over the collections, investigators were unable to determine who may have taken the funds.

As part of the report, Comptroller investigators identified weaknesses and made recommendations to improve school accounting and purchasing procedures.

All of these findings and recommendations have been reviewed with the district attorney general for the Fourth Judicial District.

The Director of Schools has indicated that changes have been made to improve financial oversight and accountability.

"The importance of financial checks and balances cannot be understated," said Comptroller Justin P. Wilson. "We would like to believe that public employees who handle money can be trusted, however temptation can lead to fraudulent activity. Controls must be in place to prevent theft."

To view the investigation online, go to: <http://www.comptroller.tn.gov/ia/>

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